

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "Memorandum") is entered into as of the _____ day of _____, 2012, by and between Wild Rose Entertainment, LLC (the "Company"), and the City of Ankeny, Iowa, a Municipal Corporation of the State of Iowa, (the "City").

WHEREAS, the City is a leader in economic development, committed not only to providing a vibrant community, but also to attracting jobs;

WHEREAS, the Company is an Iowa limited liability company, and the Company and a designated nonprofit entity (the "Nonprofit") intend to seek a license from the Iowa Racing and Gaming Commission for the operation of a gambling structure at which gambling games are conducted within the City (the "Ankeny License"); and

WHEREAS, the Company desires to obtain a commitment from the City to assist the Company and the Nonprofit in acquiring the Ankeny License in order to provide economic development, jobs, tax relief, capital improvements and charitable contributions for the citizens of the City.

IT IS THEREFORE MUTUALLY UNDERSTOOD as follows:

1. Efforts. The City acknowledges the Company's (or an affiliate of the Company), and the Nonprofit's, efforts to obtain the Ankeny License and agrees to procedurally advance the project in compliance with the Municipal Code; provided, however, in no event will the City provide tax incentives or any other financial support.

2. Commencement. This Memorandum shall commence on the date set forth above, and shall continue for the later of: (i) five (5) years; or (ii) if the Company and the Nonprofit obtain the Ankeny License within five (5) years from the date of this Memorandum, then the date the Company, or in the event of a sale, the Company's successor or assignee, and the Nonprofit no longer hold the Ankeny License; provided, however, this Memorandum shall terminate if (A) the Company ceases to have a legal or beneficial interest (including, but not limited to, an interest pursuant to a purchase agreement or an option agreement) in real estate within the City sufficient to support a gaming operation, or (B) the Iowa Racing and Gaming Commission denies the Company's and the Nonprofit's application for the Ankeny License (the "Term").

3. Termination. Upon the expiration of the Term, this Memorandum shall automatically terminate.

4. Exclusivity by City. The City agrees that it will not, during the Term (i) enter into negotiations or execute or approve any agreements with any other person, firm, organization or operator and that it will not make application to or otherwise support an application for a license to conduct or operate gambling games from the Iowa Racing and Gaming Commission within

Polk, Story, Jasper, Warren, or Dallas Counties, Iowa, other than through and in cooperation with the Company and the Nonprofit or (ii) enter into any agreements or act in concert with any person, entity or governmental body to oppose the issuance of the Ankeny License.

5. Exclusivity by Company. The Company agrees that it will not, during the Term, seek to obtain a new gambling license in any location in Polk, Story, Jasper, Warren, or Dallas Counties, Iowa, other than within the City.

6. Purpose. The purpose of this Memorandum is to ensure the Company and the Nonprofit that all of their collective investment to obtain and hold the Ankeny License will procedurally advance within the City.

7. Future Agreement. Should the Company and the Nonprofit be granted the Ankeny License, the City, the Company and the Nonprofit shall work together in good faith regarding a development agreement for the development by the Company of a structure for the conduct of gambling games within the City pursuant to the Ankeny License.

IN WITNESS WHEREOF, this Memorandum has been duly approved and executed as of the day and year first above written.

CITY OF ANKENY, IOWA

WILD ROSE ENTERTAINMENT, LLC

By _____
Steve Van Oort, Mayor

By _____
Its _____

And _____
Pam DeMouth, City Clerk